

Bulletin 5

**LIFE INSURANCE COMMISSIONS -- CORPORATE AGENCY PROHIBITED FROM
TAKING ASSIGNMENT OR TRANSFER BY LICENSED LIFE AGENT**

September 18, 1956

Whereas, there is some evidence to indicate that some corporate insurance agents have violated the law of Indiana which prohibits a corporate agency from acting as a life insurance agent; and,

Whereas, the illegal device sometimes used to accomplish such violation is to employ an individual life licensee and to take an assignment of his commissions; and

Whereas, it is now declared that the assignment or transfer of life insurance commissions by a licensed life agent to a corporate insurance agency which employs such life agent is illegal; and,

Whereas, it is now further declared to be illegal for any corporate agency officer or employee who is a licensed life agent to assign or transfer life insurance commissions to any corporation, foreign or domestic, which holds or controls the employer corporate agency;

Now, Therefore, it is directed that any corporate insurance agency which receives life insurance commissions by way of assignment or transfer, or in any other form, from or through an officer or employee who is a licensed life agent or which permits any employee or officer who is a licensed life agent to assign or transfer life insurance commissions in any form to any holding corporation which controls the said corporate agency shall forthwith have its license as an agent in the State of Indiana revoked permanently.

This Directive does not condone or legalize any device not herein described which violates the

William J. Davey
Insurance Commissioner